



**BILIRAN ELECTRIC COOPERATIVE, INC.
(BILECO)**

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BILIRAN ELECTRIC
COOPERATIVE, INC.



2016

ANNUAL REPORT

P  **OWER**
FOR PROGRESS

Credits: 2.bp.blogspot.com

2016 Annual Report | CONTENTS

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TINAGO FALLS

The majestic Tinago Falls is one of the best places to visit to when you are in Biliran. Located in Brgy. Cabibihan, Caibiran, the site can be reached by any land transport, approximately 30-minute ride from Naval. The name of the falls, "Tinago," means "hidden" as it is likened to a hidden treasure.

PROGRAMME

30th Annual General Membership Assembly

PART I	Holy Mass	10:00 AM
PART II	Registration, Distribution of Annual Reports and Raffle Coupons	11:00 AM
PART III	Opening Program	1:00 PM
	Parade of Colors	BILECO Linemen
	Philippine National Anthem	Sound System
	Biliran Hymn	Sound System
	Welcome Message	HON. EULALIO G. MADERAZO <i>Municipal Mayor of Caibiran</i>
	Welcome Message	DIR JUAN R. AVILA, JR. <i>Board President</i>
	Presentation of the Newly Elected BOD of Almeria, Biliran, Naval and the NEA Representative	ALLAN JOSEPH S. BORRINAGA <i>ISD Manager</i>
	Oath-taking of the New Board of Directors	ADMIN EDGARDO R. MASONGSONG <i>National Electrification Administration</i>
	Intermission Number	BILECO Family
	Message	ENGR. GERARDO N. OLEDAN <i>OIC General Manager</i>
	Song Number	FROILAN D. CARMEN <i>BILECO Staff</i>
	Introduction to the Guest Speaker	MAUREEN D. NIERRA, CPA <i>Internal Auditor</i>
	Message from the Guest Speaker	ADMIN EDGARDO R. MASONGSONG <i>National Electrification Administration</i>
	Symbolic Switch-on Ceremony of DOE-NIHE	Admin Masongsong together with the Board of Directors and OIC General Manager
	Presentation of Plaques and Citations	
	1. Plaque of Appreciation to the Guest Speaker	
	2. Plaque of Appreciation to the Host Municipality	
	Closing Remarks	MR. DINO S. PEÑAFLO <i>NEA Representative to BOD</i>
PART IV	Order of Business	
	1. Calling to Order	6. Presentation of the 2016 Annual Report
	2. Determination of Quorum	7. Plenary Agenda
	3. Reading of the Notice of Meeting	a. Support to fast-track BILECO's ERC CAPEX application filed in 2011
	4. Reading of the Minutes of the Previous Meeting	8. Open Forum
	5. Approval of the Minutes	
PART V	Electronic Attendance Raffle	
PART VI	Adjournment	

FAST FACTS

BILIRAN

No. of Barangays : 13
House Connections: 3,156
Total Membership : 3,012
Percent Loading : 8.29%

NAVAL

No. of Barangays : 26
House Connections: 12,123
Total Membership : 10,153
Percent Loading : 49.99%

ALMERIA

No. of Barangays : 13
House Connections: 4,246
Total Membership : 3,974
Percent Loading : 9.15%

KAWAYAN

No. of Barangays : 20
House Connections: 4,182
Total Membership : 4,075
Percent Loading : 8.29%

CULABA

No. of Barangays : 17
House Connections: 2,526
Total Membership : 2,185
Percent Loading : 5.38%

CAIBIRAN

No. of Barangays : 17
House Connections: 3,972
Total Membership : 4,030
Percent Loading : 9.04%

CABUCGAYAN

No. of Barangays : 13
House Connections: 3,861
Total Membership : 3,661
Percent Loading : 9.87%

THE HIGATANGAN ISLAND

Higatangan Island is famed for its white beaches, crystal clear waters, shifting sand bar and rock formations. It can be reached via motorized boats roughly 45 minutes from the capital town of Naval. Island activities include camping, trekking, scuba diving, snorkeling, cliff diving, boating/kayaking and fishing.



ABOUT THE
THEME

The year's theme "Power for Progress" was conceptualized in reply to NEA's call of intensifying rural electrification by energizing the countryside and improving the quality of life of coop member-consumers (MCs). It can be recalled that BILECO was able to energize the remaining 78 sitios under NEA SEP 2014 & 2015 GAA and implemented the reconductoring of approximately 27 kms. of age-old conductor to better serve our MCs through efficient and quality electric service. By living our purpose of intensifying rural electrification, we commit to serve more member-consumers even those in the far-flung sitios contributory to improved living conditions of Biliranons. Our initiative to replace old structures and our efforts to improve our distribution system shall be our forefront in delivering efficient electric service towards a more progressive province of Biliran.



ULAN-ULAN FALLS

Ulan-Ulan comes from the visayan dialect which means "rain". The force of the falling waters creates a mist hence the name. From Naval, it will take a 15-20 minute ride to Brgy. Sampao via a junction from the national highway within the Naval-Almeria boundaries. From there, the waterfalls can be reached after a 25-minute walk along a marked trail.



MISSION

To provide reliable, safe, quality and efficient electric service for a developed and progressive Biliran Province

VISION

An electric distribution utility recognized as a hallmark of excellence by providing premium customer satisfaction by 2030

CORE VALUES

(GoDHEART)

Godliness

Discipline

Honesty

Excellence

Accountability

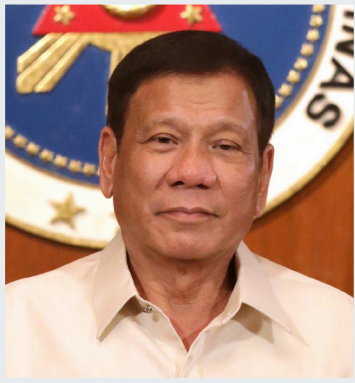
Respect

Teamwork



MESSAGE FROM THE PRESIDENT

Office of the President
Malacañang, Manila, Philippines



My warmest greetings to the **Biliran Electric Cooperative, Inc. (BILECO)** as it holds its **30th Annual General Assembly**.

I commend the cooperative for its long-standing commitment to improve the quality of life of our people through the efficient delivery of electric service. Its initiatives to ensure sustainable energy supply help uphold the welfare of its member-consumers and promote the social development of the locality.

May you maintain your standing as one of the well-recognized organizations in the area of good governance, leadership and management. As a cooperative rated A by the National Electrification Administration, I trust that you will continue to work towards further improvement.

Let this assembly raise the standard of power distribution to serve more consumers in the whole Biliran. I hope that you will help us in achieving complete rural electrification by tapping into sustainable energy resources.

I wish you a successful event.

RODRIGO ROA DUTERTE
President Republic of the Philippines



MESSAGE FROM THE

DOE

Department of Energy

Energy Center, Rizal Drive cor. 34th Street
Bonifacio Global City, Taguig



The Department of Energy (DOE) is pleased to extend our sincerest greetings to the Board of Directors, Officers and all the Member-Consumers of the Biliran Electric Cooperative, Inc. (BILECO) on the occasion of your 30th Annual General Membership Assembly (AGMA) themed: *"Power for Progress"*.

As an island province, Biliran has special energy requirements. Hence, BILECO, being the sole power distributor in the mainland bears the gargantuan responsibility to provide reliable, stable, sustainable and reasonably priced power supply to the seven municipalities within its coverage area.

The guarantee of this all-important public service is essential not only to ensure comfort and convenience, but also to support the economic activities of the people thereby creating the right environment that will spur social progress and development.

Being a priority of the current Administration, total electrification is the topmost in the objectives of BILECO. BILECO is the DOE's able partner in achieving this goal.

Capacitate your organization further by improving your distribution facilities and structures with focus on the reduction of systems loss and energy resiliency for an advance, progressive and highest quality of electricity service.

Take advantage of the opportunity that this AGMA offers, as you all come together to chart the direction of BILECO's future, fulfilling the common aspirations of the people of Biliran.

The DOE assures BILECO of its full support for the programs and projects that aims to improve the welfare of every consumer in the island.

Thank you and more power. Mabuhay!


ALFONSO G. CUSI
Secretary



MESSAGE FROM THE

NEA

National Electrification Administration
Diliman, Quezon City



My warmest greetings to the Biliran Electric Cooperative, Inc. (BILECO) as it holds its 30th Annual General Membership Assembly.

Electric Cooperatives (ECs) play an undeniably important role in catalyzing the development of rural communities. Through the ECs, the once sleepy communities are slowly transformed into bustling centers of commerce, resulting as well in increase life satisfaction for the rural Filipinos. The Rural Electrification Program is therefore an important investment in human capital development, as it facilitates access of people to basic social service, while opening up an array of economic opportunities for them.

With President Rodrigo R. Duterte's call for a more socially-inclusive society, our ECs should therefore be more responsive in promoting the welfare and interest of their Member-Consumer-Owners (MCOs). This means generating innovations and finding solutions that will help address the need for greater efficiencies in the ECs' power distribution system. This also means putting forward governance initiatives that will most readily foster a climate of openness and fairness in all operations of the ECs.

With the theme of your AGMA, Power for Progress, I believe that BILECO will continue to pursue socially-oriented programs in the energy sector consistent with the national agenda of our President, affirmed by our DOE Secretary Alfonso G. Cusi, and reinforce by your National Electrification Administration in its strategic directions. NEA is your partner in this endeavor, and it is my hope that the alliance we have forged over the years will push us higher and bring about meaningful changes for all Filipinos.

I wish BILECO all the best. *Mabuhay!*



EDGARDO R. MASONGSONG
Administrator



MESSAGE FROM THE ERC

Energy Regulatory Commission
Pacific Center Building San Miguel Avenue, Ortigas Center 1600, Pasig City,
Metro Manila, Philippines



On behalf of the Energy Regulatory Commission (ERC), I extended my warmest greetings to the officers and members of the Biliran Electric Cooperative, Inc. (BILECO) on the occasion of your 30th Annual General Membership Assembly.

This year's theme, "Power for Progress," calls to mind the future that is taking shape in Biliran. Ruggedly beautiful, the island promises untold adventures with its cascading waterfalls, rolling terrain and stunning mountain ranges. These provide not only tourism potential but also geothermal and solar power that count as strategic national assets in the quest for energy security and global emissions reduction. In all likelihood, the province is in for remarkable progress.

BILECO is thus well-positioned to uplift the welfare of member-consumers through responsive and high-quality service. I am encouraged by the co-ops pledge to extend electricity to more households across the province and its efforts to upgrade the distribution network. Your accomplishments in customer service are particularly commendable and bode well for a similar headway in technical standards.

To the men and women of BILECO, may today's gathering renew you vigor in promoting a reliable, continuous and affordable power supply in Eastern Visayas. ERC is one with you in this endeavor. Working together, we will uphold our country's economic growth and help raise the quality of life of our people.

I wish you all a productive and meaningful assembly.

JOSE VICENTE B. SALAZAR
Chairman and CEO



CABUCGAYAN BOARDWALK

Otherwise known as the Mangrove Area of Looc, the Cabucgayan Boardwalk located in Brgy. Looc, Cabucgayan, Biliran, is one of the many ecotourism destinations in the island province of Biliran. The project Boardwalk focuses on environmental protection, eco-tourism and poverty reduction in Cabucgayan. Its facilities include restaurant, cottages for rent and boating services. Mudcrabs are also being raised in the mudflats available for orders.



MESSAGE FROM THE

Congressman

House of Representatives
Quezon City, Metro Manila



My felicitations to the management and personnel of Biliran Electric Cooperative (BILECO), Incorporated as they notch another year of giving service to the Biliranons, as they hold their 30th Annual General Membership Assembly (AGMA).


The commemoration of this activity modestly reminds us of the importance of having an electric cooperative in our province which served the people of Biliran for many years.

This humble representation believes that BILECO was able to cater superb service to the Biliranons in spite of many challenges. The celebration of this year's AGMA portrays that BILECO has stood firm, remains unshaken and still continues to serve the public.

We have witnessed the unceasing efforts of the Cooperative to improve their distribution system which will be a lead towards a more progressive and advanced electric services.

In closing, I would like to urge BILECO to linger on their resilient support to our endeavors for an innovative electric cooperative and a progressive Island Paradise of Biliran.

Thank you and Congratulations BILECO!


ROGELIO J. ESPINA, MD, FPOA
Representative
Lone District of Biliran



MESSAGE FROM THE

NGCP

National Grid Corporation of the Philippines

Quezon Avenue corner BIR Road, Diliman, Quezon City 1100



NGCP congratulates the Biliran Electric Cooperative, Inc. (BILECO) on the occasion of its 30th Annual General Membership Assembly (AGMA) on 28 May 2017 at Palanay, Caibiran, Biliran Province.

This year's AGMA theme of "Power for Progress" captures BILECO's commitment to its member-consumers of building structures and enhancing Biliran's distribution system in response to the National Electrification Administration's call for intensified electrification in rural areas. As such, NGCP commends BILECO exemplifying excellence and public service for the household consumers in Biliran.

BILECO can expect NGCP to continue to support its operations and endeavors as we jointly build a stronger and more reliable power industry for the development of the Filipino nation.

To BILECO's Board of Directors, Management, employees and member-consumers congratulations and more power!



HENRY SY, JR.

President and CEO



MESSAGE FROM THE

Board President

Biliran Electric Cooperative, Inc.
Caraycaray, Naval, Biliran



It is my greatest honor and pride to welcome all our distinguished guests, heads of the local government units, fellow board of directors, member-consumers, stakeholders, and the warriors of light – the men and women of the Biliran Electric Cooperative, Inc. to our 30th Annual General Membership Assembly this 28th day of May 2017.

Seeing you all today as we mark our 30th assembly, it makes me proud that we have reached this far in providing electric service to all our member-consumers. This year's theme: "Power for Progress", has been set up to signify that BILECO aims to provide reliable, safe, quality and efficient electric service in order to obtain progress in the province.

Our men and women in the coop are one in reaching our vision to be recognized as a hallmark of excellence by providing premium customer satisfaction by 2030. We will never stop until we've reached our full potential. We will push harder to aid in our beloved Biliran's progressing state. All these, with the support of all of you, our member-consumers, and the supervision of the National Electrification Administration (NEA), will be made possible in the coming years as we work hand in hand.

I hereby welcome you all to my beloved hometown of the Municipality of Caibiran in the beautiful island paradise of Biliran Province. Maupay nga kulop ha aton nga tanan and God bless us all!

JUAN R. AVILA, JR.
President, Board of Directors



MESSAGE FROM THE

General Manager *Biliran Electric Cooperative, Inc.* Caraycaray, Naval, Biliran



My warmest greetings and felicitations to all our member-consumers and stakeholders as we hold our 30th Annual General Membership Assembly today, May 28, 2017, at the Caibiran Gymnasium.

Biliran is one of the emerging tourism destinations in the country today evident by the increasing influx of tourists both local and foreign. Our island province prides itself for its natural beauty worth seeing and people worth meeting. The high potentials in the tourism sector could spur economic growth thereby generate more and more jobs for the locals. Likewise, the emerging investments have set the momentum forward, soon to provide vast opportunities for the Biliranons.

It is but imperative that we should take clear and bold steps ahead by preparing our power distribution infrastructures as we welcome these new developments. We are therefore challenged to be proactive in order to provide an uninterrupted electric service at all times to our growing consumers.

This year's theme "Power for Progress" speaks of our ability to create a path for progress if we only build the right foundation in power distribution and sustain excellence in our service. Excellent electric service is tantamount to progress. Thus, we need to constantly innovate and think out of the box. After all, our customers are the reasons why we continuously exist.

To all of us, let this celebration rekindle our enthusiasm to support and serve our cooperative with our heart and be a change in our own way.

I wish BILECO more fruitful years. *Mabuhay!*



GERARDO N. OLEDAN, REE
OIC-General Manager

BILECO's story of struggle and triumph in the landscape of rural electrification is etched in the strata of its historic past where bringing light to households and villages is a gargantuan and formidable task. The linemen who have been the foot soldiers of BILECO since the beginning stood undaunted as they carpentered line after line even in the midst of harsh conditions. Witnessing how homes mushroomed the towns, how communities flourished one after the other and how sleepy municipalities turned into a vibrant and bustling commercial hub, manifested the vital role of electricity and electric cooperatives in rural development.

Today, electricity is slowly creeping on the outskirts of rural centers and outlying parts of the province. Thanks to Sitio Electrification Program for illuminating the once lifeless households and enclaves. It can be seen that electricity is the harbinger of development as it creates an environment that stimulates and accelerates economic growth.

This year's AGMA theme "Power for Progress" speaks of three distinct facets of power, those which the Coop strived to improve and excel:



POWER TO BETTER SERVICE



POWER TO CARE



POWER TO MAKE DIFFERENCE

POWER TO BETTER SERVICE

The Reconductoring Project

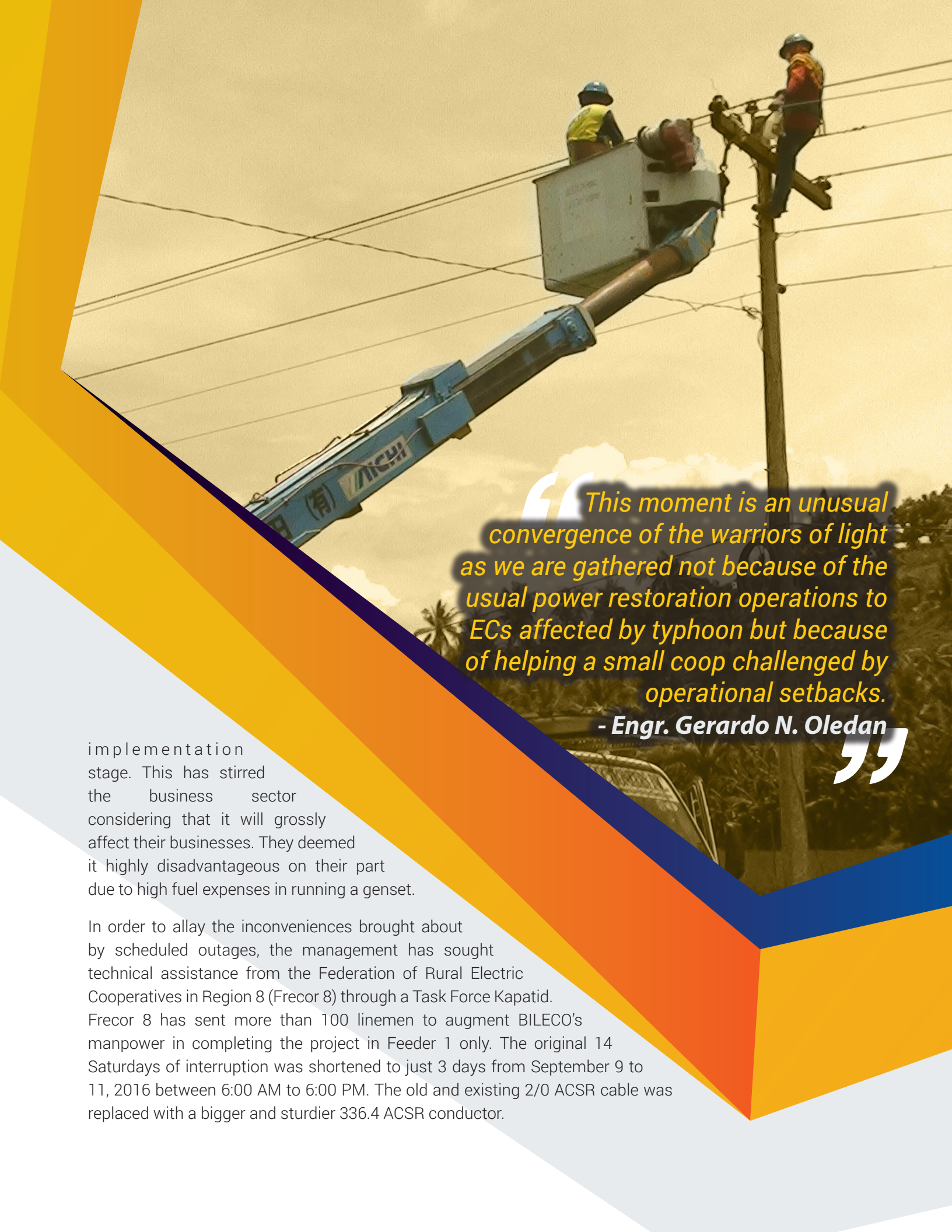
The reconductoring project is one of the major network projects undertaken by BILECO in 2016 with the objective to address the worsening problem of its distribution system more particularly on power quality and systems loss. Reconductoring or the replacement of cables in the EC's backbone line was the identified immediate solution to the said problems which had long been suffered by the consumers particularly in the capital town of Naval. Said project is in line with the Coop's mandate to provide a reliable, safe, quality and efficient electric service to be contributory for the development of Biliran province.

It can be recalled that BILECO has filed its CAPEX application before the Energy Regulatory Commission (ERC) in 2011. The application includes major network projects like the construction of a new sub-station in Naval, construction of a 69-kV line between Biliran and Naval and the re-configuration of feeders where a separate line will be dedicated to business establishments and public buildings in Naval. Engr. Gerardo N. Oledan, the Officer-in-

Charge, in a meeting with business sector professed that said application is still pending for decision by the Commission which left the Coop no option but avail alternative solution. The decision to single out reconductoring project as the best option came after a careful study on cost-benefit analysis.

Technical data showed that 50% of the total demand is in Naval being the capital town. Geographically, the town is located some 19 kilometers from the existing lone 10 mVA substation in the municipality of Biliran. The physical distance coupled with the age and type of the cables resulted to problems in power quality and systems loss more evidently in Feeder 1. This impels the Board to support and approve the replacement of cables both in Feeder 1 and 2 which has served for more than 30 years already. Replacement covers a total distance of 15 kilometers and 17 kilometers in Feeder 1 and 2, respectively.

Initial work schedule revealed that series of power interruptions will likely be experienced during the



This moment is an unusual convergence of the warriors of light as we are gathered not because of the usual power restoration operations to ECs affected by typhoon but because of helping a small coop challenged by operational setbacks.

- Engr. Gerardo N. Oledan

implementation stage. This has stirred the business sector considering that it will grossly affect their businesses. They deemed it highly disadvantageous on their part due to high fuel expenses in running a genset.

In order to allay the inconveniences brought about by scheduled outages, the management has sought technical assistance from the Federation of Rural Electric Cooperatives in Region 8 (Frecor 8) through a Task Force Kapatid. Frecor 8 has sent more than 100 linemen to augment BILECO's manpower in completing the project in Feeder 1 only. The original 14 Saturdays of interruption was shortened to just 3 days from September 9 to 11, 2016 between 6:00 AM to 6:00 PM. The old and existing 2/0 ACSR cable was replaced with a bigger and sturdier 336.4 ACSR conductor.

TASK FORCE KAPATID ILIS KABLE

Don Orestes Romualdez Electric Cooperative, Inc. (DORELCO)

Leyte II Electric Cooperative, Inc. (LEYECO II)

Leyte III Electric Cooperative, Inc. (LEYECO III)

Leyte IV Electric Cooperative, Inc. (LEYECO IV)

Leyte V Electric Cooperative, Inc. (LEYECO V)

Southern Leyte Electric Cooperative, Inc. (SOLECO)

Samar I Electric Cooperative, Inc. (SAMELCO I)

Samar II Electric Cooperative, Inc. (SAMELCO II)

Eastern Samar Electric Cooperative, Inc. (ESAMELCO)

Northern Samar Electric Cooperative, Inc. (NORSAMELCO)



THE TASK FORCE

The Task Force Kapatid from the electric cooperatives in Region 8 dubbed as **Task Force Kapatid Ilis Kable** arrived at the BILECO main office for the reconductoring project conducted last September 9 to 11.

GM Oledan expressed in his opening message during the welcome program for the task force his hundredfold gratitude for the positive response of all the electric cooperatives on his request.

“This moment is an unusual convergence of the warriors of light as we are gathered not because of the usual power restoration operations to ECs affected by typhoon but because of helping a small coop challenged by operational setbacks,” Oledan said.

Approximately 120 linemen trooped at BILECO in response to their commitment to exhibit the genuine spirit of brotherhood.

“BILECO has started to be recognized in the echelon of top performing ECs this past few years. However, the problem of systems loss in the recent years has made them lag behind so noticeably. In these trying times, I encourage everyone to demonstrate fervor as we altogether track our common goal of helping BILECO achieve its mission,” Leyeco V GM, Engr. Juanito E. Jorda, Jr., underscored in his message.

Jorda also reminded the task force to be extra cautious, saying that the work is not a race.

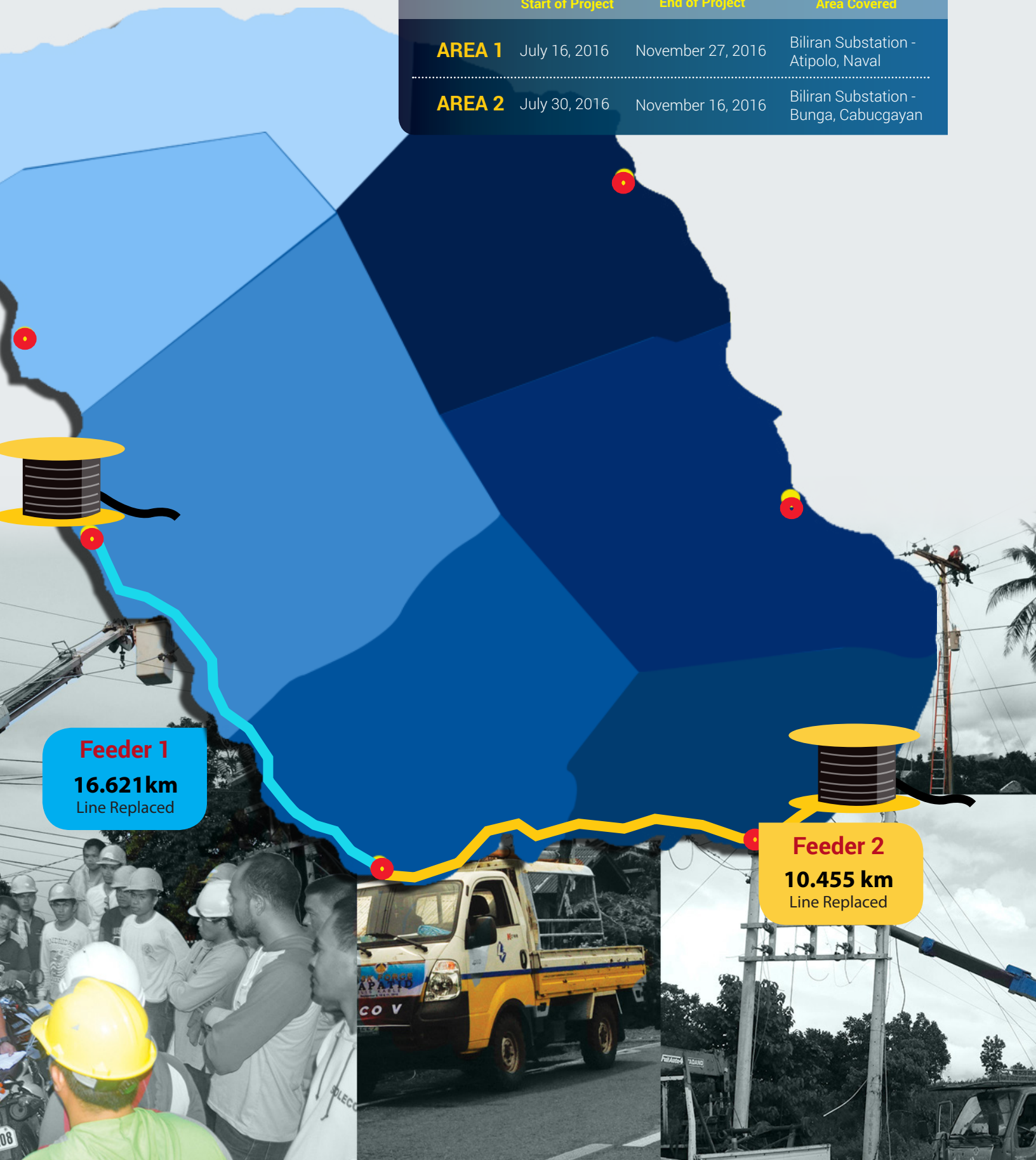
Likewise, the OIC General Manager of Leyeco 2, Engr. Fernan Paul R. Tan, an experienced task force commander, also gave emphasis on zero accident and safety considering the high risks in performing the job.

The task force was divided into different teams with different area assignments to expedite the work. At the end of each day, evaluation and assessment of work was done to ensure keeping on track and meeting the deadline.

The team, although had stumbled upon minor hitches, eventually succeeded and completed the mission earlier than schedule. It proved the value of sound leadership, teamwork and determination among all the team members.



	Start of Project	End of Project	Area Covered
AREA 1	July 16, 2016	November 27, 2016	Billiran Substation - Atipolo, Naval
AREA 2	July 30, 2016	November 16, 2016	Billiran Substation - Bunga, Cabucgayan



Feeder 1
16.621km
 Line Replaced

Feeder 2
10.455 km
 Line Replaced

UPGRADING OF TRANSFORMER

AREA 1

TRANSFORMER RATING		
FROM (KVA)	TO (KVA)	LOCATION
15	25	Sampao, Almeria
25	37.5	Burabod, Biliran
15	25	Bato, Biliran
15	25	Cogo, Naval
10	15	Camponggos, Biliran
10	15	Looc, Almeria
15	25	Villa Consuelo, Naval
50	75	Naval Poblacion
37.5	50	Naval Poblacion

AREA 2

TRANSFORMER RATING		
FROM (KVA)	TO (KVA)	LOCATION
15	25	Ungale, Kawayan
15	25	Ungale, Kawayan
15	25	Binohangan, Caibiran
15	25	Canila, Biliran
10	15	Binohangan, Caibiran
37.5	50	Langgao, Cabucgayan
25	37.5	Talibong, Cabucgayan



SYSTEM LOSS REDUCTION AND MAINTENANCE ACTIVITIES

- Pole Replacements
- Line Clearing
- Meter Replacements
- Meter Clustering
- Meter Relocation
- Transformer Load Management
- Apprehension of consumers who violated Coop Policy No. 90-04 or Electricity Piferage
- Upgrading of secondary lines
- Replacement of broken insulators
- Reconductoring

SITIO ELECTRIFICATION PROJECT



NAVAL

No. of Brgy.: 8
 No. of Sitios: 19
 No. of Actual Household: 626

BILIRAN

No. of Brgy.: 7
 No. of Sitios: 9
 No. of Actual Household: 222

CABUCGAYAN

No. of Brgy.: 5
 No. of Sitios: 7
 No. of Actual Household: 212

CAIBIRAN

No. of Brgy.: 5
 No. of Sitios: 6
 No. of Actual Household: 186

CULABA

No. of Brgy.: 7
 No. of Sitios: 7
 No. of Actual Household: 137

KAWAYAN

No. of Brgy.: 9
 No. of Sitios: 14
 No. of Actual Household: 323

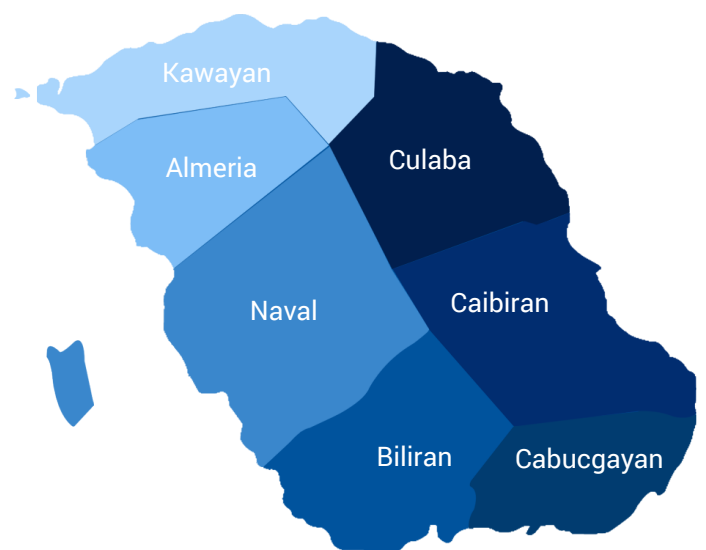
ALMERIA

No. of Brgy.: 8
 No. of Sitios: 16
 No. of Actual Household: 405

BILECO once again took off this year with a mammoth project - the Sitio Electrification Program - this time with 78 sitios. The data above showed the number of barangays, sitios and household-beneficiaries per district. The construction and energization of line was never easy due to issues on right-of-way, house wiring installation, LGU permit fees and processing of documents.

A total of 2,111 households were able to benefit the said project including the 4 sitios in Higtangan island in Naval. One sitio was subjected to realignment after being declared a No Build Zone.

Symbolic switch-on and energization was held on November 26, 2016.



POWER TO CARE

29th Annual General Membership Assembly

BILECO held its 29th Annual General Membership Assembly (AGMA) on November 26, 2016 at the Cabucgayan Gym in Magbangon, Cabucgayan.

This year’s event was anchored on the theme “Kabag-uhan ug Kalambuan - sa 33 Malauman ang Katumanan,” which aptly underscores the Coop’s optimism towards a better change through organizational and operational reforms.

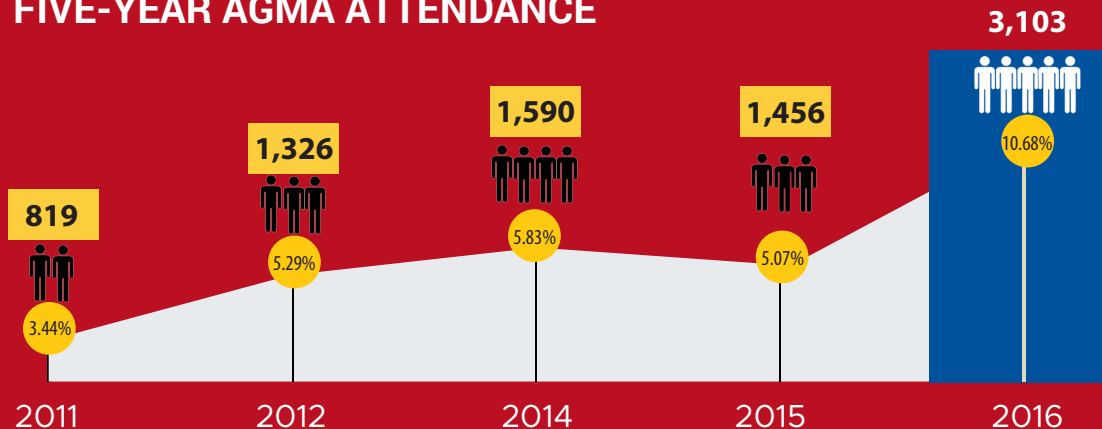
Prof. Rowaldo A. Del Mundo, UP professor and guest speaker of the event, discussed with the

members the operation of an electric distribution utility, its strengths, weaknesses and scope, and reminded them on their responsibilities and obligations to the Coop as members.

Cong. Rogelio J. Espina also graced the occasion spearheading the formal switch-on and energization of the 78 sitios under NEA Sitio Electrification Program.

A total of 3,103 members have attended the gathering equivalent to 10.68% of the total

FIVE-YEAR AGMA ATTENDANCE



NOTE: No AGMA was held in 2013 due to typhoon Yolanda.

MISSION

To provide reliable, safe, quality and efficient electric service for a developed and progressive Biliran Province



BILECO
Biliran Electric Cooperative, Inc.
Caraycaray, Naval, Biliran

29th AGMA

Annual General
Membership Assembly

Cabucgayan Gym | November 26, 2016

NAVAL
DISTRICT

The General Assembly favored that BILECO remains status quo under NEA considering that it is the most beneficial among the three options for the Coop.

membership, the highest attendance in its history so far.

ISSUE ON CONVERSION

One of the agenda discussed during the plenary was the conversion issue pursuant to Republic Act No. 10531.

The law provides option for ECs to either remain as non-stock, non-profit under NEA, convert into a stock cooperative under CDA or convert into a stock corporation under SEC.

The certificate of membership decision revealed that the general assembly favored that BILECO remains status quo under NEA considering that it is the most beneficial among the three options for the Coop.

The result of the referendum will take effect for the next 10 years from the date of its adoption.

DISTRICT ELECTION



A new Board of Director of Naval was elected and duly proclaimed by the District Election Committee (DECOM) on December 10, Saturday, during the conduct of special district election at the Naval Central School.

Engr. Reynaldo B. Rostata, currently employed at the Philippine Statistics Authority Provincial Office, was a lone candidate for the said post garnering a total vote of 171.

Rostata took his oath of office last December 22 during the regular Board meeting and shall fill the almost three-year vacant post. He will serve the remaining portion of the three-year term until 2019.

MASTERLIST SANITATION



Master list sanitation was constantly being undertaken to keep an updated and reliable roster of membership of the cooperative. BILECO adopted NEA Memorandum No. 2014-006 which contains the guidelines in the sanitation of membership master list. The sanitation is usually conducted months before the scheduled district elections. The sanitized master list will be posted at the EC website for further validation by the members and continuous process of sanitation.

SENIOR CITIZEN DISCOUNT AVAILMENT

The discount on Senior Citizens for electricity is provided for under ERC Resolution No. 23, series of 2010, "A Resolution Adopting the Rules Implementing the Discounts to Qualified Senior Citizen End-Users and Subsidy from the Subsidizing End-Users on Electricity Consumption under Sections 4 and 5 of Republic Act No. 9994" otherwise known as The Expanded Senior Citizens Act.

Individual senior citizens availed 5% discount while senior citizen centers availed 50% discount. A total of 127 senior citizens availed the discount as of December 2016.



DISTRICTS	Active Senior Citizens
Biliran	9
Naval	69
Almeria	27
Kawayan	18
Cabucgayan	3
Culaba	1
Total	127

CUSTOMER SERVICE STANDARD

ACTIVITIES	Provisioning Time	
	STANDARD	ACTUAL
1 New Connection Application	24 hrs	4 hrs
2 Service Dropping of New House Connections	2 days	2 days
3 Line Restoration from time of receipt of interruption	4 hrs	42.56 mins
4 Complaints:	No Power	24 hrs
	Billing Concerns	24 hrs
	KWHM Concerns	24 hrs
	SDW Concerns	24 hrs
5 Information Dissemination (3 days before interruption)	<ul style="list-style-type: none"> Via text Assistant Software Via Twitter and Bileco.net Facebook account is also updated 	
6 Emergency Calls	30 mins	30 mins
7 Reconnection	24 hrs	3.76 hrs

MORE PAYMENT OPTIONS

Due to the growing consumer population, BILECO has sought partnership with third-party collection agents to augment in the collection of power bills and to provide convenience to the paying members.


- ASEMCO
- OCCCI
- HLUILLIER
- EXPRESSPAY
- PRIME ASIA
- GEMMARY
- PRINCE


INFORMATION-EDUCATION AND COMMUNICATION CAMPAIGN

Information and continuing education are vital to ensure a well-informed member-consumers. For the year 2016, a number of meetings and info drive were undertaken as follows:

- Quarterly meeting with the Multi-Sectoral Electrification Advisory Council (MSEAC)
- SMS Blast for urgent messaging
- Energy Forum to big load customers
- Distribution of annual reports, newsletters, brochures and leaflets
- Energy symposium to high school students
- Press releases to PIA, radio stations, cable network and LGUs
- Quarterly meeting with the barangay electricians
- Regular radio programs every Thursday called the KKK
- Regular meeting with NEA-SEP, NIHE beneficiaries and Barangay Power Associations (BAPA)
- Making use social media like Facebook and Twitter for info dissemination
- Attendance to Sangguniang Panlalawigan and Sangguniang Bayan sessions to present pertinent EC issues and concerns
- The use of public address system for info dissemination in remote barangays
- Meetings with barangay captains

CUSTOMER SERVICE EFFICIENCY

 **1,831**
Complaints Settled

 **1,322**
Requests Served

 **873**
Meter Replacements Acted

 **4,447**
Service Reconnections Acted

 **2,574**
House Connections Acted

POWER TO MAKE DIFFERENCE

As far as image building is concerned, BILECO strived to give utmost importance not only to improving consumer relations but also investing on corporate social responsibility programs. The Coop believed that organizations that are able to exhibit a culture of giving back and a commitment to social responsibility are those that ultimately endure. In recent years, the Coop was able to embark on several initiatives devised to address some social and environmental issues. The Coop desires that its programs could make a difference in the lives of the people it serves.

WAIVING OF COOP FEES

This year, BILECO was able to energize more than 2,000 households under the Sitio Electrification Program. This has not only abruptly increased the residential connections in 2016 but also ballooned the total amount of waived EC charges.

The waiving of Coop fees was approved by the Board since the beginning of SEP in 2012. This was in response to NEA's call to extend assistance



to indigent electrification beneficiaries in order to maximize the benefit extended to them by the national government. The beneficiaries pay only 5 pesos as membership fee while all other charges are waived as follows:

1. Service Connection Fee	-	50.00
2. Meter Calibration Fee	-	50.00
3. Bill Deposit	-	148.63
4. Membership ID	-	30.00
TOTAL	-	278.63

Likewise, the management also streamlined the connection process in its efforts to improve internal



processes geared toward improved customer experience in transacting business with BILECO.

The Coop also partnered with the local government in each municipality to waive LGU fees associated with application of power connection.

PROVISION OF MORTUARY ASSISTANCE

Under General Assembly Resolution No. 2012-03, qualified deceased member-consumers continue to avail of the mortuary assistance provided by BILECO in the amount of P2,000.00



BILECO CONDUCTS FEEDING PROGRAM AND DISTRIBUTION OF SCHOOL SUPPLIES

BILECO conducted three feeding activities in 2016 in identified elementary schools in its area coverage. The program was in consonance with the government's aim to enhance the health and education status of children.

The three recipients of the program were the elementary schools of Brgy. Patag, Culaba, Brgy. Ungale II, Kawayan and Brgy. Borac, Naval.

The schoolchildren were served nutrient-rich foods and were also distributed school supplies.

BILECO stood by its advocacy in helping raise some degree of awareness on the responsibility and obligation of institutions in combating problems related to health of schoolchildren. Institutions can be an instrument in realizing this cause in partnership with the local government units and other sectors.

SPONSORSHIP OF THE LEADERSHIP AWARD TO ALL HIGH SCHOOLS

With its desire to take part in recognizing the contributions of young leaders in schools and the community, BILECO sponsored the Leadership Award medals to sixteen Junior High School completers in the entire area coverage. The medal was given during the graduation ceremony of respective schools.





BILECO SCHOLAR PASSED REE AND RME EXAMS

The lone scholar of BILECO, Engr. Manuel P. Palconit, Jr. finally graduated and finished Bachelor of Science in Electrical Engineering at Naval State University on April 2016. On the same year, he took up and successfully passed the Registered Master Electrician (RME) and Registered Electrical Engineer (REE) Licensure Examinations.

BILECO RECEIVES NOD FROM LUISTRO FOR ALS

The then Secretary of the Department of Education, Bro. Armin A. Luistro, visited and commended BILECO for its initiative to enroll its employees to the Department's Alternative Learning System (ALS).

Luistro, together with the officials of DepEd Biliran, met with the management, through its OIC General Manager, Engr. Gerardo N. Oledan, and the employees on March 4, 2016 as part of his official visit to the Division of Biliran.

ALS is a parallel learning system in the Philippines that provides a practical option to those who cannot



access formal education in schools.

Oledan said that it is the desire of the management to help employees advance in their education by providing them avenue to complete their basic education the most convenient way possible. He believed that ALS is both practical and suitable to the needs of its employees and the Coop. The program formally kicked off on January 30 with 14 employees officially enrolled.

The Secretary also complimented BILECO's commitment of support in the implementation of Senior High School through a Memorandum of Agreement for work immersion partnership. DepEd started the full implementation of SHS in school year 2016-2017.



TREE PLANTING IN CULABA

In participation to the National Greening Program of the government, the BILECO employees, in coordination with the Provincial Environment and Natural Resources Office (PENRO), have manifested once again its care for nature through its tree planting activity held on August 26 in the uplands of Brgy. San Roque, Culaba.

Around 300 narra trees were planted of some 30 participating employees and PENRO representative at the two-hour hike planting site.

Tree planting is one of BILECO's corporate social responsibilities conducted annually.



COASTAL CLEANUP IN BANDERAHAN

Last July 1, 2016, BILECO initiated a coastal cleanup at the shoreline of Sitio Banderahan in Brgy. Caraycaray, Naval. This was part of BILECO's activities already lined in relation to its 2016 Coop-Union Day Celebration. It was participated by the coop's management team, officers and associates headed by their OIC-General Manager, Engr. Gerardo Oledan.

They were joined by the members of the Multi-Sectoral Electrification Advisory Council (MSEAC) and the LGU in the district fo Naval. The cleaning started at around 9:00 AM and lasted for about 2 hours.



HOSTING OF THE DIVISION-WIDE QUIZ BOWL AND SPELLING BEE

As part of BILECO's activities for its 2016 Coop-Union Day Celebration, the coop conducted its 2nd BILECO Quiz Bowl and 1st Spelling Bee contests for junior high schools in its area coverage. The contests was competed by 13 schools for the quiz bowl and 15 schools for the spelling bee.

The winners were given cash prizes, tokens and certificates for their outstanding performance in the contests. All the contestants and their coaches were also given certificates for their active participation.

Present during the occasion were OIC-GM Gerardo N. Oledan together with Dir. Rolando Z. Gozon (BOD Vice-President) and Dir. Erik Castulo P. Castillo, III (BOD Treasurer).



BRIGADA ESKWELA 2016

In response to its commitment to DepEd, BILECO had joined in the preparation for the opening of Brigada Eskwela 2016 which kicked-off on May 30 at Biliran National Agricultural High School.

BILECO personnel conducted inspection on electrical connections to ensure safe and reliable supply of power during the opening of classes and at the same time undertake cleaning of classrooms and school grounds.



HANDOG PAMASKO

BILECO conducted a caroling and gift-giving dubbed "Handog Pamasko 2016" in the district of Almeria on December 16.

The activity aimed to celebrate and spread the Christmas Spirit of sharing and giving to the less-privileged families in Brgy. Iyusan and Pili. Despite rain showers, the activity was still successfully undertaken. Grocery items including 5-kilo rice were distributed to the recipient families. Children were also given candies and chocolates.







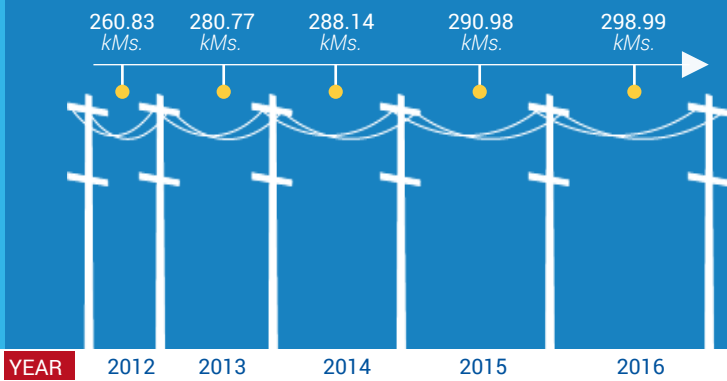
2016

OPERATIONAL

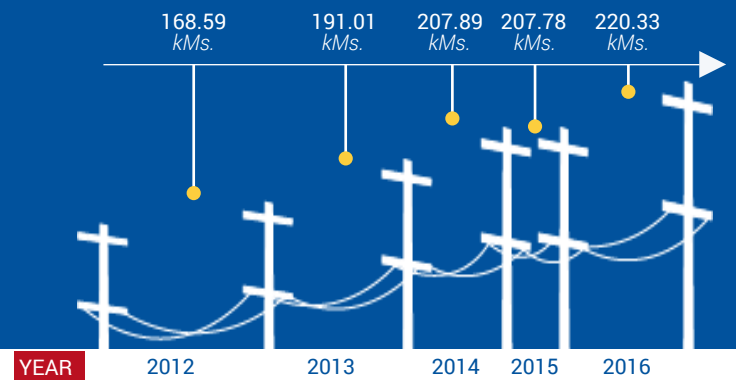
Highlights

DISTRIBUTION SYSTEM

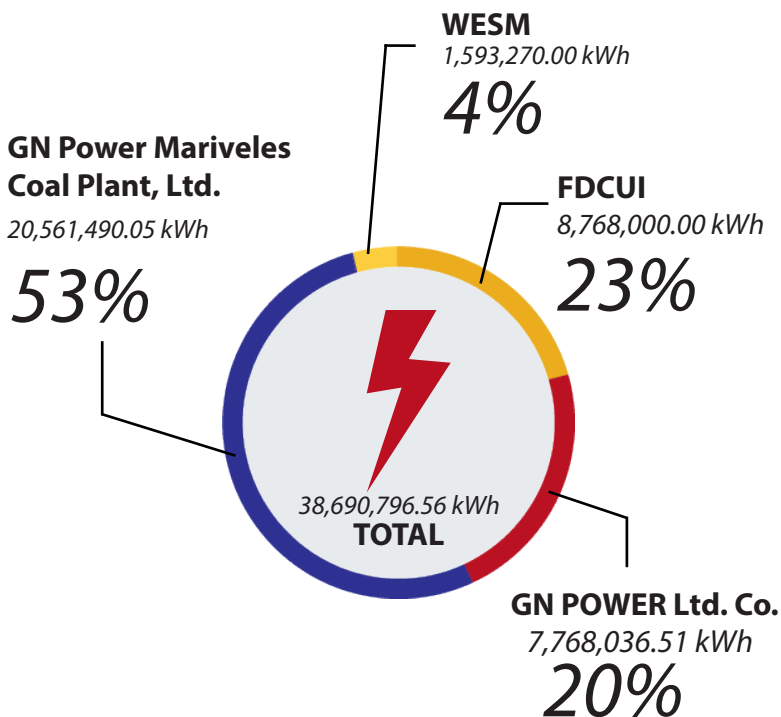
Primary Line Energized



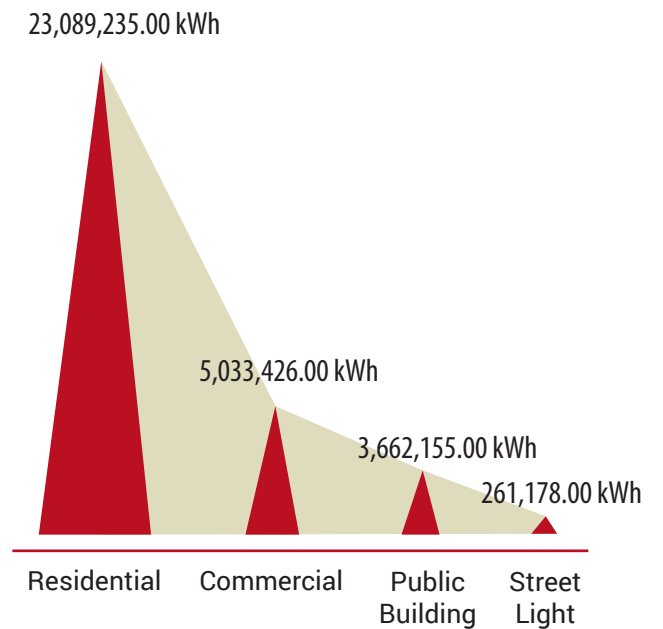
Secondary Line Energized



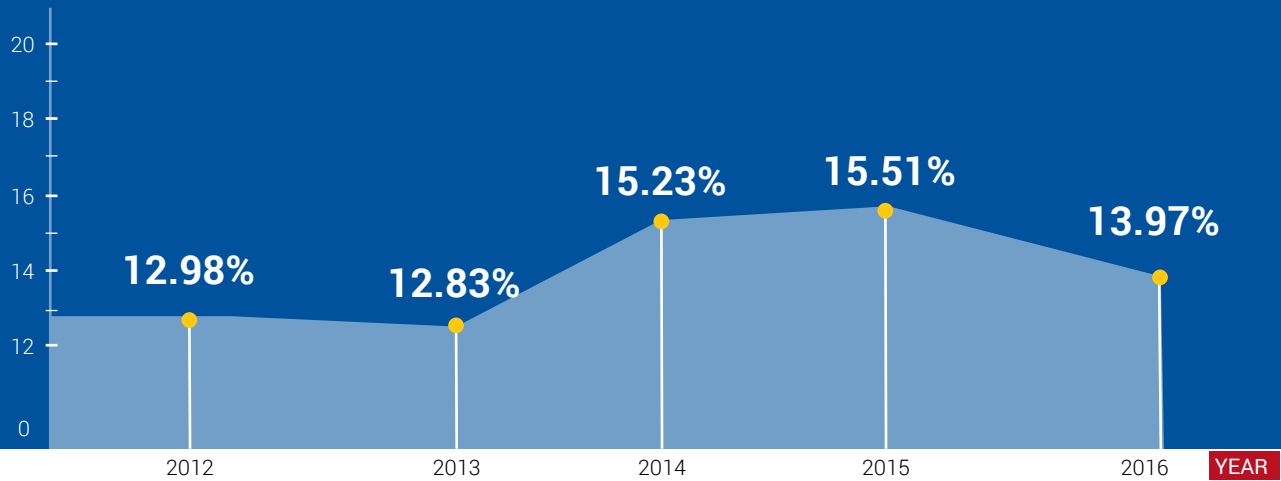
SOURCES OF POWER



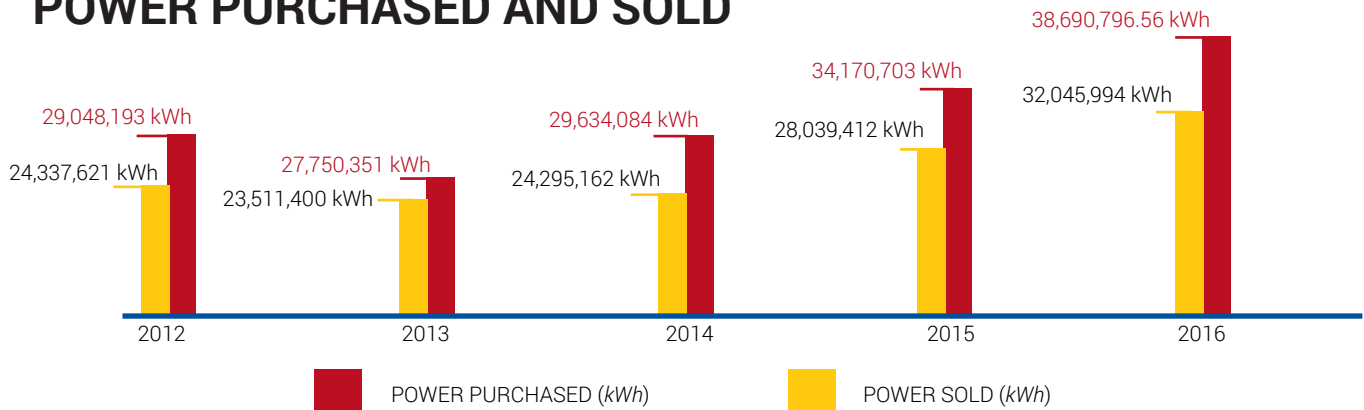
POWER SOLD PER CLASS



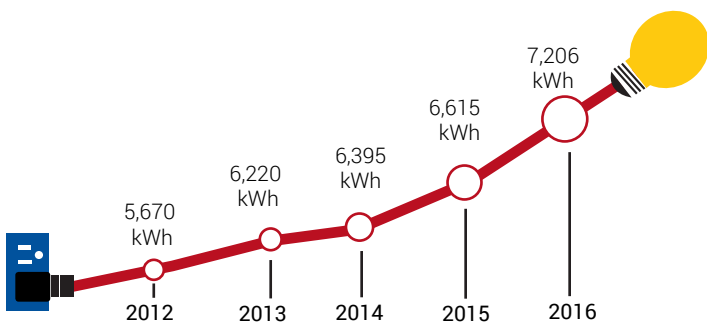
SYSTEMS LOSS



POWER PURCHASED AND SOLD



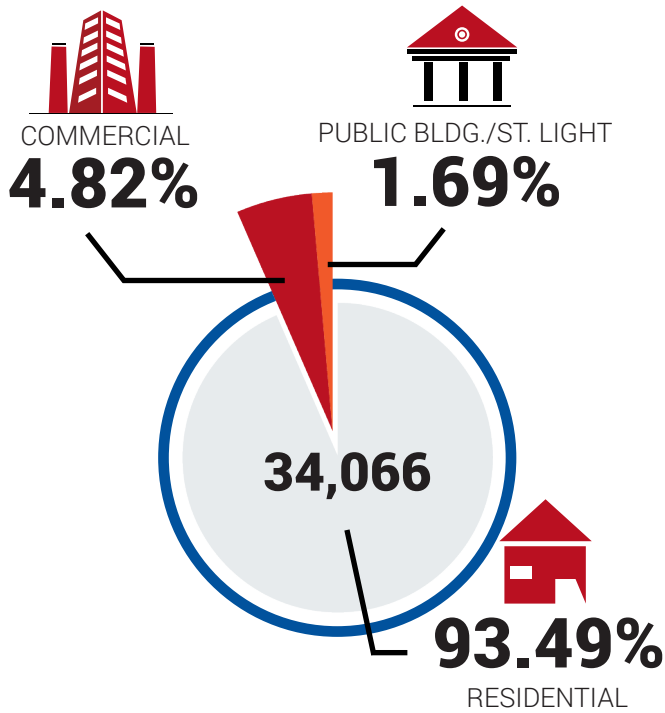
PEAK LOAD/PEAK DEMAND



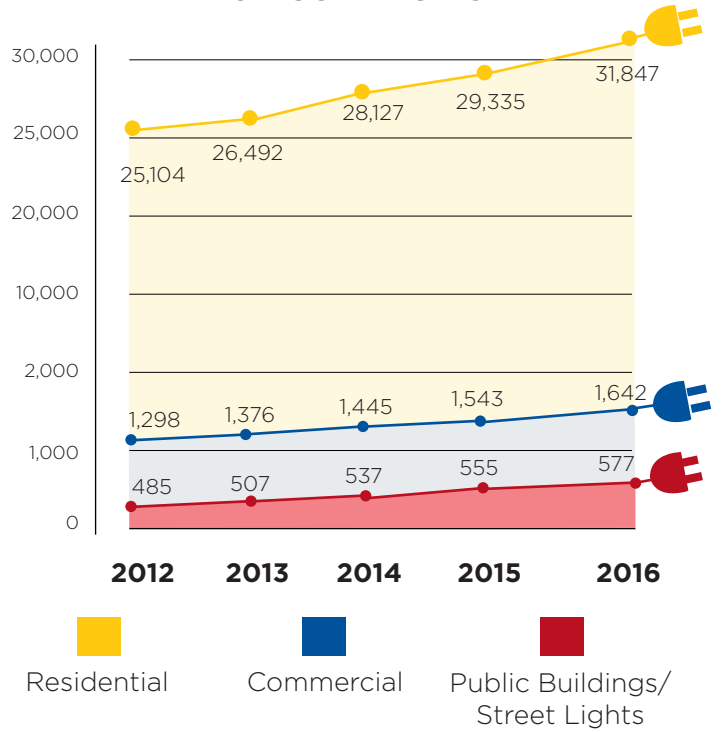
FREQUENCY OF INTERRUPTION PER CONSUMERS

SYSTEM RELIABILITY	BILECO	STANDARD	
SAIFI	19.54	20	Interruptions
SAIDI	24.96	45	Hours
CAIDI	1.33	4	Hours

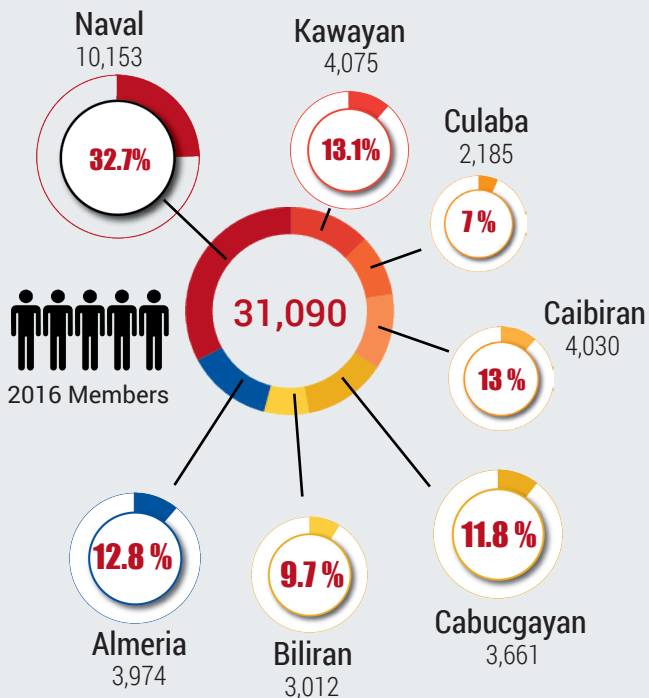
HOUSE CONNECTION



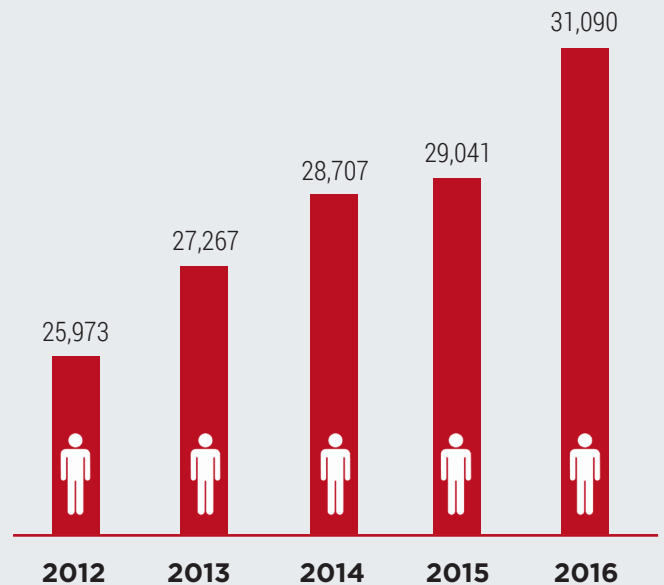
FIVE-YEAR CONNECTION GROWTH PER TYPE OF CONNECTION



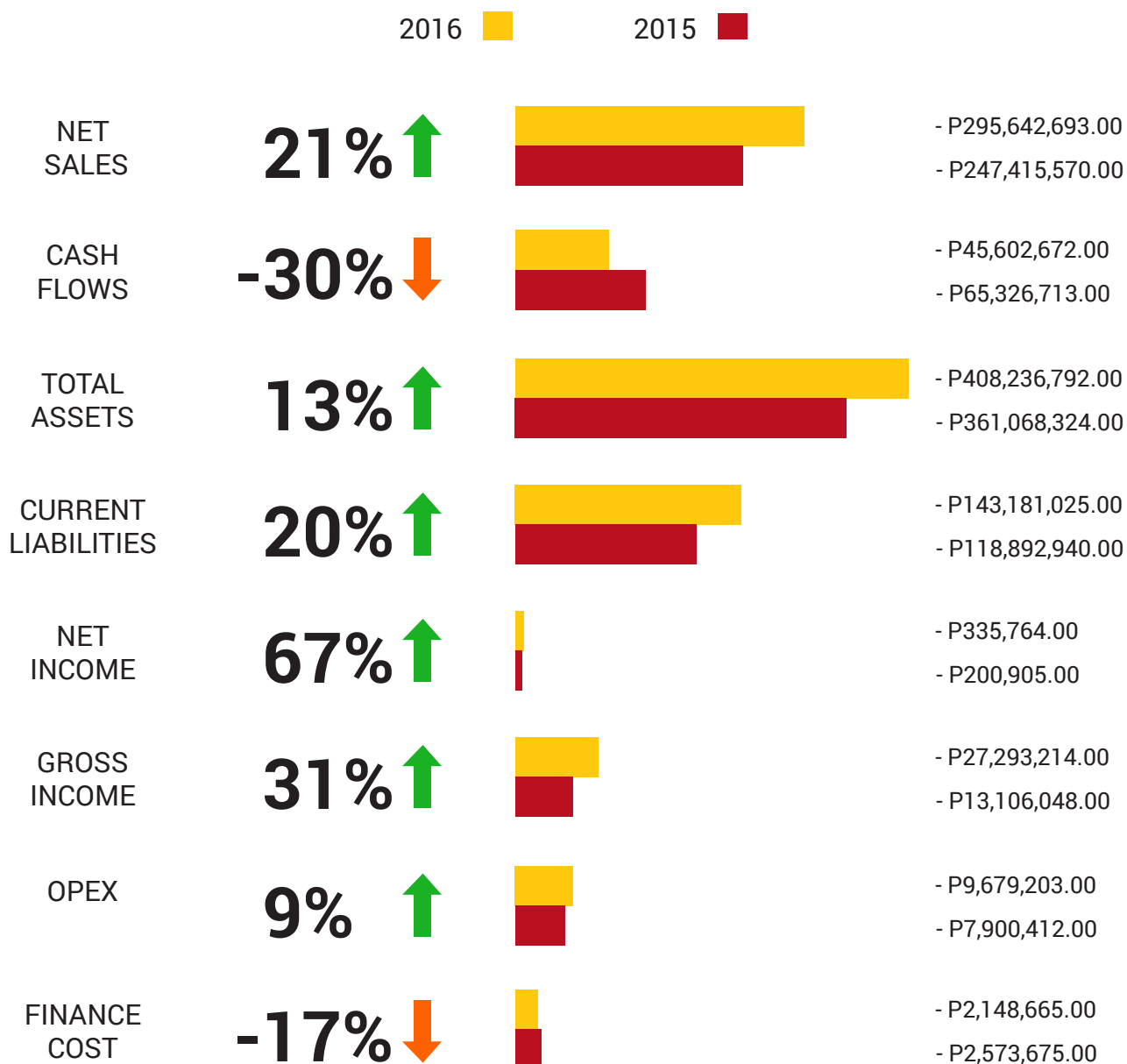
MEMBERSHIP



FIVE-YEAR MEMBERSHIP GROWTH

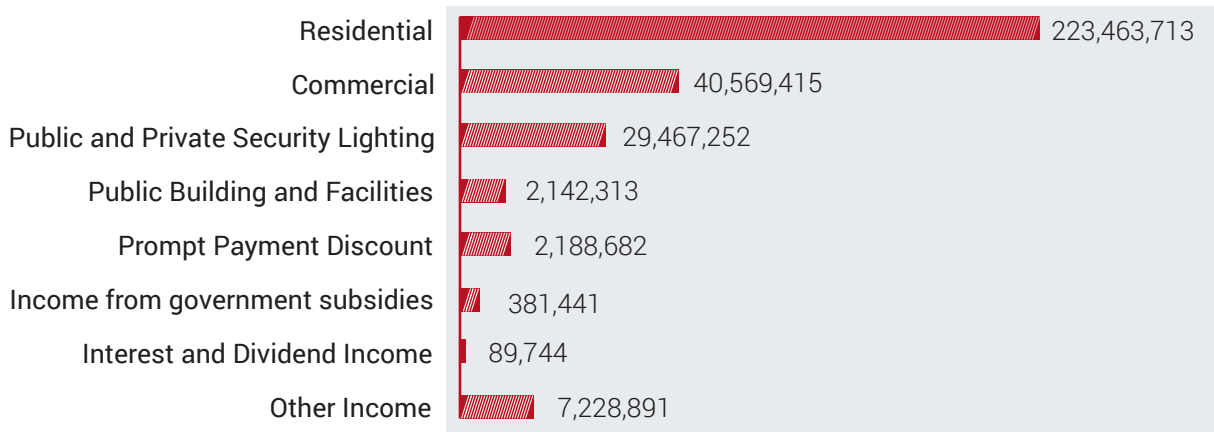


FINANCIAL HIGHLIGHTS

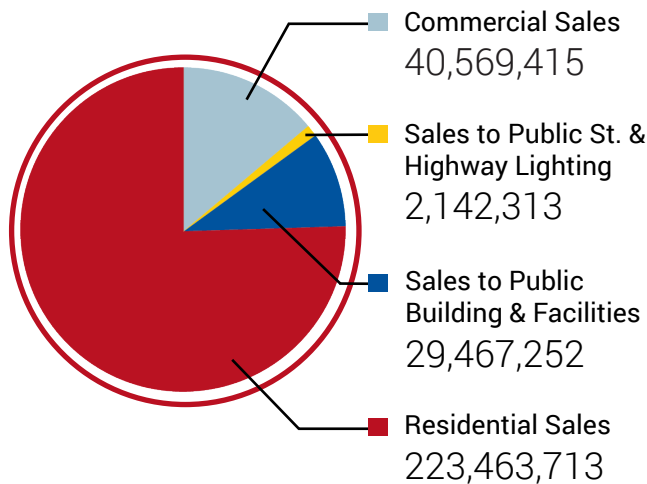


- Net Sales** - Net Energy Sales from Commercial, Residential, Public Building & Street Lights
- Cash Flow** - Cash Balance at the End of Year
- Total Assets** - includes Current & Non Current Assets
- Current Liabilities** - payables to power suppliers, accounts payables, accrued liabilities & others
- Gross Income** - Net Energy Sales less Cost of energy sold
- Opex** - Operating Expenses includes General and Administrative expenses
- Finance Cost** - debt service cost NEA and other institution
- Net Income** - Gross Income less Opex, Depreciation & Finance Cost

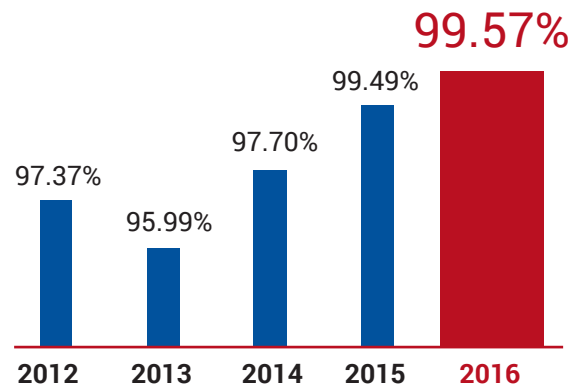
SOURCES OF REVENUE



SALES BY TYPE OF CONSUMERS



COLLECTION EFFICIENCY



WHERE OUR REVENUE GOES?



2016 KEY ACCOMPLISHMENTS

of the Board of Directors of Biliran Electric Cooperative, Inc.



- Having recognized the importance of a clear organizational direction, the Board made a significant milestone by accomplishing the following:

- Formulation and approval of new BILECO vision, mission and corporate values

Mission

To provide reliable, safe, quality and efficient electric service for a developed and progressive Biliran Province

Vision

An electric distribution utility recognizes as a hallmark of excellence by providing premium customer satisfaction by 2030

- Formulation of Internal Rules
- Review of the existing EC Constitution and Bylaws
- Review and revision of Coop policies

- The Board of Directors had joined with the Management in the conduct of the following activities aimed at informing and educating the member-consumers:

- District meetings
- Presentation of EC projects to Sangguniang Panlalawigan and Sangguniang Bayan to draw their support and assistance
- Meetings with barangay officials
- Energy Forum with big load customers and stakeholders
- Meetings with SEP and NIHE beneficiaries
- Radio Program
- Dialogue with MSEAC members pertaining to the 29th AGMA agenda
- Pre-Membership Orientation Seminar (PMOS)

- The Board had directed the management to conduct systematic membership sanitation in all districts to ensure an updated list of members. The sanitized master list will be posted in the EC website for viewing and continuous sanitation by the general public.

- The Board had requested NEA and subsequently held a seminar on RA 10531 particularly on the qualifications and disqualifications of the Board, functions and responsibilities of the Board and the General Manager, Guidelines in the Conduct of District Elections and seminar on Values Enhancement.

- The Board conducted a Benchmarking to Palawan Electric Cooperative (PALECO), a CDA electric cooperative as preparation for the 29th AGMA where conversion issue was tackled. They also directed the Management for another round of benchmarking in CENECO, NOCECO and NORECO II, all in the island of Negros, to gather additional information about CDA.

- In view of providing ease and convenience to member-consumers in the application of new connection, the Board advised the management to develop measures to streamline the process flow in application of connection. Likewise, the Board also initiated some programs that will help lessen the expenses of the consumers associated with the application.
- The Board had passed Board Resolution No. 33 requesting for a 50% discount of BILECO's franchise tax from the Provincial Government.
- The Board had passed Board Resolution No. 59, requesting NEA to convert the Coop's loan for reconductoring project into grant/subsidy.



The Board also supported the Management's initiative to enroll its employees to Alternative Learning System (ALS) of the Department of Education.

- Having sought in providing the Board and the Management conducive environment for seminars and meetings, the multi-purpose building was refurbished.
- Giving emphasis on the importance of time management for increased productivity, the Board urged all employees to provide individual calendar of activities to serve as guide and reminder on its daily activities.
- The Board advised the management to allocate more budget for Systems Loss Reduction Program.
- In response to President Duterte's war on drugs, the Board required a random drug test to its employees and required a compulsory test to new employees.
- The Board has motioned to prioritize the giving of permanent item to contractual employees who have rendered service for more than seven years already considering the established degree of loyalty to the Coop.
- The Board developed a strategy for the effective information campaign on its Referendum and AGMA.
- The Board discussed with the Emerging Power Inc. (EPI), the company in charge in the development of geothermal power plant in Biliran, on the construction of a 13.2kV line by BILECO, to be utilized for the initial generated output of the plant, and the EPI's provision of replacement power during NGCP power outage. The Board likewise made consultations with NGCP, ERC and experts from UP Diliman relative to the matter.
- As part of its CSR, the Board strongly supported the conduct of quarterly Feeding activity of the Coop to selected elementary schools within the franchise area. During the feeding, BILECO also distributes school supplies to the schoolchildren.





The Board initiated a “Libreng Kasalan for the BILECO Employees” which coincided with BILECO’s Family Day and Christmas Party on December 22. Fr. Arnulfo C. Cordeta, BOD of Cabucgayan, officiated the wedding ceremony. Three employees availed the said mass wedding.

- The Board requested the Management to hold a coordination meeting with the DPWH, DENR and the LGUs to resolve issues on the right of way, especially at the height of road widening project of the DPWH which affects EC facilities like electric poles.
- The Board proposed for the establishment of its own collection centers per district to give convenience to the paying member-consumers.
- In connection to its new Core Values, the Board revived Flag Ceremony every Monday and celebration of Mass every first Friday of the month.
- The Board supported the GM in requesting the FRECOR 8 in helping BILECO shorten the duration of its reconductoring project through a provision of a Task Force Kapatid. More than 100 linemen trooped at BILECO which resulted to a successful implementation and early completion as targeted.
- The Board, in the essence of brotherhood, sent Task Force Kapatid personnel in expediting re-habilitation works in Norsamelco in Northern Samar damaged by typhoon Nona, Cagelco 1 in Cagayan due to typhoon Lawin and Casureco 4 in Camarines Sur due to typhoon Nina.
- The Board has coordinated with the LGU-Cabucgayan to waive LGU fees for the processing of documents for the NIHE beneficiaries. In response, the Municipal Mayor issued an executive order waiving some permitting fees for all the beneficiaries.



THE BOARD OF DIRECTORS



JUAN R. AVILA, JR.

Board President

District of Caibiran



ALBERTO R. ESPREGANTE

Secretary

District of Almeria



ERIK CASTULO P. CASTILLO III

Treasurer

District of Culaba



FR. ARNULFO C. CORDETA

Member

District of Cabucgayan



ENGR. REYNALDO B. ROSTATA

Member

District of Naval



DINO S. PEÑAFLO

NEA Representative



THE RECONDUCTORING PROJECT





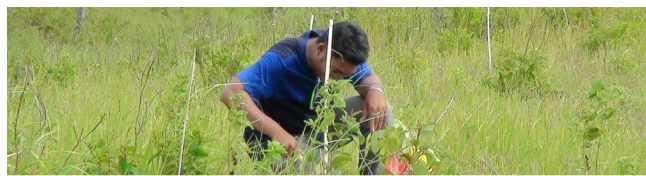
FEEDING ACTIVITIES





COOP FACILITIES AND EMPLOYEES IN ACTION





TREE PLANTING AND COASTAL CLEANUP



MINUTES SA IKA-29 NGA TINUIG NGA PANAGTIGOM SA MGA MIYEMBRO-KONSUMEDOR SA BILIRAN ELECTRIC COOPERATIVE, INC. (BILECO) NGA GIPAHIGAYON NIADTONG NOBYEMBRE 26, 2016 DIDTO SA CABUCGAYAN GYMNASIUM, MAGBANGON, CABUCGAYAN, BILIRAN

Pormal nga giablihan ug gisugdan ang maong panagtigum pinaagi sa usa ka hamubong programa mga 11:37 ang takna sa kabuntagon. Ang maong kalihukan gituyo gayud pag-andam sa tig pasiugda sa tumong nga dasigun ug iabi-abi ang gibana-bana nga mga 3,103 ka mga miyembro-konsumedor nga misalmot sa maong okasyon. Ang han-ay sa maong programa mao kining mosunod:

Opening Program:

- | | | |
|---|---|--|
| 1. Invocation | - | Fr. Arnulfo C. Cordeta
<i>BOD Cabucgayan</i> |
| 2. Parade of Colors | - | BILECO Linemen |
| 3. Pambansang Awit | - | Sound System |
| 4. Biliran Hymn | - | Sound System |
| 5. Welcome Address | - | Hon. Edwin Masbang
<i>Municipal Mayor of Cabucgayan</i> |
| 6. Welcome Message | - | Dir. Juan R. Avila, Jr.
<i>BOD President</i> |
| 7. Pasundayag | - | BILECO Family |
| 8. Message from the General Manager | - | Engr. Gerardo N. Oledan
<i>Officer-in-Charge, BILECO</i> |
| 9. Introduction to the Guest Speaker | - | Michael M. Gabing
<i>HRA Supervisor</i> |
| 10. Message from the Guest Speaker | - | Prof. Rowaldo R. del Mundo
<i>Professor, University of the Philippines - Diliman</i> |
| 11. Message | - | Cong. Rogelio J. Espina
<i>Lone District of Biliran</i> |
| 12. Symbolic Switch-on Ceremony of NEA-SEP 2014 and 2015 Sitios | | |
| 13. Presentation of Plaques and Citations | | |
| 14. Message | - | Rolando Z. Gozon
<i>Outgoing BOD of Kawayan</i> |

Atol gayod niining tigom gihimo ni Dir. Gozon, BOD sa distrito sa Kawayan, ang iyang pagpanamilit ug pagpasalamat sa natapos niyang tulo (3) ka termino isip representante sa maong distrito.

Sa walay damong panultiun, si Dir. Gozon nagtugon sa iyang mga kaubanan sa Board ug sa mamahimong sumusunod sa iyang posisyon nga serbisyuan gayod ug maayo ang mga miyembro-konsumedor sa BILECO.

15. Closing Remarks - **Atty. Edgar A. Igano**
Board Member, 2nd District

ORDER OF BUSINESS

1. Call to Order

Human masiguro nga adunay korum, si Dir. Juan R. Avila, Jr., nga mao ang pangulo sa BILECO Board of Directors, medeklara sa opisyal nga pagsugod sa tigom mga alas 11:37 ang takna sa buntag.

2. Reading of the 28th AGMA Minutes

Gipresenta og gibasa ni Dir. Alberto R. Espregante, Board Secretary, ang minutes sa ika-28 nga Annual General Membership Assembly (AGMA).

Usa ka miyembro-konsumedor sa Sitio Basud, Poblacion, Kawayan nagpadangat sa iyang yangungo mahitungod sa ubang ning-atender sa maong panagtigom nga wala matagai ug kopya sa minutes.

Si Dir. Arnulfo C. Cordeta nangayo ug dispensa sa asembleya sa maong kakuwangan kay tungod wala madahumi ang maong kadamo sa mo atender. Ingun pa man, ginotahan kini ni Dir. Cordeta ug misaad nga matagaan ug kopya sa minutes ang tanang motabong una magsugod ang panagtigom sa mga mosunod nga asembleya.

4. Approval of the Minutes

Human hashasi ang porma ug mga naglangkob sa minutes, giaprubahan kini pinaagi sa mosyon ni Mrs. Salvacion Jornales nga gisegundaan usab ni Mrs. Agustina O. Caliao.

5. Presentation of the 2015 Annual Report (Thru Video Presentation)

6. Plenary Agenda

a. ECs Conversion Options under R.A. 10531

Ang kinatibuk-ang eksplanasyon ug diskusyon mahitungod sa pag-konbertir sa usa ka kooperatiba sa elektrisidad gipadangat pinaagi sa usa ka video presentation. Ang maong presentasyon naghatag og ideya sa mga miyembro-konsumedor sa ilang pagdesisyon kung ipabilin nga NEA-registered ang BILECO o ikonbertir kini ngadto sa CDA (Cooperative Development Authority) o SEC (Securities and Exchange Commission).

Kahuman solisituh ni BOD President Dir. Juan R. Avila, Jr. sa ilang desisyon, kadam-an sa asembleya ningpili nga magpabiling status quo o NEA-registered ang BILECO pinaagi sa pag-isa sa ilang kamot. Ang maong pasya gidokumento sa mga kawani sa BILECO pinaagi sa pagkuha ug imahe ug video.

Sa mosyon ni Engr. Pablito Cordeta, sinigundaan ni Engr. Leonardo V. Madeja Jr., naaprubahan sa kadaghanan ang mosunod nga resolusyon:

GENERAL ASSEMBLY RESOLUTION NO 2016-01 (GAR NO. 2016-01)

A RESOLUTION DECLARING AND APPROVING TO REMAIN STATUS QUO UNDER THE NATIONAL ELECTRIFICATION ADMINISTRATION (NEA) ON THE ISSUE OF CONVERSION PURSUANT TO SECTION 25-A OF THE IMPLEMENTING RULES AND REGULATIONS OF R.A. 1053

b. Establishment of BILECO Collection Centers in All Districts

Isip pagsugod sa maong presentasyon, si Finance Services Department Manager, Ma. Leizyl Q. Garcia, nagsulti nga ang proposal sa pagdugang ug mga

collection centers sa tanang distrito namugna pinaagi sa pagtambayayong sa Board of Directors (BOD) ug Multi-Sectoral Electrification Advisory Council (MSEAC) sa BILECO. Kini aron mamaayo ang koleksyon sa kooperatiba ug mahatagan ug dugang kaayong serbisyo sa mga miyembro-konsumedor alang sa mas dali nga pagbayad sa ilang power bill.

Si Ms. Garcia nag-ingun nga ang itukod o idugang nga collection center kinahanglang konbenyente o komportable, sayon, dali matultulan ug adunay kalidad ang serbisyo. Maong iya gipresenta ang mosunod nga mga opsyon:

1. Magtukod o magrenta og dugang collection center sa BILECO sa kada distrito diin kinahanglan aprubahan sa asembleya nga iapil kini sa atong Capital Expenditure (CAPEX) application,
2. Mo-engage sa serbisyo sa ubang collection agency sama sa bangko (PNB, Metrobank, Landbank) o express payment centers (Palawan Pawnshop, M Lhuillier, Prime Asia, etc.) diin kinahanglan og 12% nga incentive nga maadto sa maong mga collection agency, o kaha
3. Dalhon ang collection center sa kada barangay o sitio pinaagi sa Budgetload App diin manginahanglan kini og internet connection og P5.00 nga bayad kada transaksyon.

Si Engr. Reynaldo B. Rostata nagkanayon nga maayo ang pinaka-unang proposisyon tungod dugang kini nga premisiyo sa Kooperatiba ug usa pud nga opurtunidad sa pangempleyo. Busa, si Board President Dir. Avila Jr. nanghinsayod sa asembleya kung uyon ba sila sa proposisyon nga magtukod og dugang nga BILECO collection center sa kada distrito.

Si Engr. Leonardo V. Madeja, Jr. nangutana kung pila ang magasto sa maong proposal og kung maka-apekto ba kini sa operasyon sa kooperatiba o dili.

Si FSD Manager Ms. Garcia ningtubag nga base sa ilang simulasyon, ang Option #1 mokabat og P554,305.00 ang gasto sulod sa usa ka tuig sa tanang itukod nga collection office, apil na ang empleyado og security guards ug ang seguridad. Mahitungod sa pagtaas sa rate sa kuryente,

kinahanglan pa kini i-file isip usa ka CAPEX ug isaka didto sa ERC para sa ilang aprobal. Samtang ang Option #2 manginahanglan ug insentibo depende sa MOA sa maong ahensya, ug ang Option #3 mangihanglan pud ug P5.00 service fee ug internet koneksyon kada transaksyon.

Sa pangutana ni Engr. Melchor Durango Jr. nga usa ka lumulupyo sa Kawayan, Biliran kung uyon ba ang asembleya sa proposal nga magtukod og collection center sa kada distrito sa probinsya, kadam-an sa katawhan ang ningtubag nga uyon sila.

Samtang si Rodrigo Victoria nga usa ka MSEAC member ning mosyon nga i-implementar ang tulo (3) ka opsyon kay tungod nakita niya nga maayo ang maong mga proposal. Kini gisegundahan ni Nimfa Viacrusis. Tungod niini, naaprubahan sa kadaghanan ang mosunod nga resolusyon:

**GENERAL ASSEMBLY RESOLUTION NO 2016-02
(GAR NO. 2016-02)**

A RESOLUTION AUTHORIZING THE BILECO MANAGEMENT TO ESTABLISH ADDITIONAL COLLECTION FACILITIES ON THE SEVEN (7) DISTRICTS OF BILIRAN PROVINCE LIKE 1.) CONSTRUCTING/ RENTING/PUTTING-UP ADDITIONAL COLLECTION CENTERS IN EVERY AREA, 2.) ENGAGING THE SERVICE OF OTHER COLLECTION CENTERS SUCH AS BANKS, EXPRESS PAYMENT CENTERS, PALAWAN PAWNSHOP, LHUILLIERS, COOPS, ETC., AND 3.) BRINGING THE COLLECTION CENTER TO EVERY AREA, EVEN THROUGH SITIOS AND INTERIOR BARANGAYS, THROUGH BUDGET LOAD

7. Open Forum

8. Attendance Raffle

Natapos ang panagtigom pinaagi sa usa ka attendance raffle nga gipatigayon. Mipapas kini sa mga kabudlay ug kahago nga nasinati sa tanang miyembro-konsumedor labi na gayud kadtong nag-gikan pa sa halagyong mga distrito.

Ang mga mosunod mao ang mga ganti (major & minor) nga gikalipay gayud ug dako sa mga mitambong:

a. Major Prizes:

1. 1 Unit 5 Cu. Ft. Refrigerator
2. 1 Unit 24" LED TV
3. 1 Unit 6.0 kg Washing Machine

b. Minor Prizes

1. 5 units Cellphone
2. 1 unit Mega Torch lamp
3. 1 unit Rechargeable Camping Lamp
4. 20 units Flat Iron
5. 13 units Desk Fan
6. 10 units Stand Fan
7. 20 packs Rice (10 kilos each)
8. 10 units Electric Kettle
9. 11 units Oven Toaster
10. 14 Grocery Packs worth P1,000.00 each
11. 21 Grocery Packs worth P500.00 each
12. 20 pcs. Retailer Sim Cards

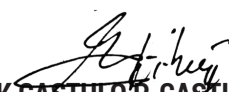
Natapos ang tigum tukma gayud sa alas 6 ang takna sa hapon.

CERTIFIED TRUE AND CORRECT:


ALBERTO R. ESPREGANTE
Secretary

Attested by:


JUAN R. AVILA, JR.
President


ERIK CASTULO P. CASTILLO III
Treasurer


ARNULFO C. CORDETA
Member

MAINIT HOT SPRING

The Mainit Hot Spring is located in Brgy. Villavicenta about 25 mins from Caibiran town and 1 hr from Naval. A portion of the river is warmed by pockets of bubbling hot springs. Prior to a large flood, there were two small pools and a cement structure where people may sit while warm water massages their back. - biliran.gov.ph





INDEPENDENT AUDITORS' REPORT

**THE BOARD OF DIRECTORS
BILIRAN ELECTRIC COOPERATIVE, INC.**

Naval, Biliran, Philippines

Opinion

We have audited the financial statements of BILIRAN ELECTRIC COOPERATIVE, INC., which comprise the statement of financial condition as at December 31, 2016 and 2015, and the statement of operations, statement of changes in members' equity and statement of cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial condition of BILIRAN ELECTRIC COOPERATIVE, INC. as at December 31, 2016 and 2015, and of its financial performance and its cash flows for the year then ended in accordance with Philippine Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with the Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the Cooperative in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audit of financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 19 of the notes to financial statements which describes the current accounting treatment adopted by BILIRAN ELECTRIC COOPERATIVE, INC. with respect to the automatic cost adjustment and true-up mechanisms that governs the recovery of pass through cost, including over or under recoveries on the following bill components: generation charge, transmission charge, systems loss charge, lifeline rate subsidies, inter class cross subsidy, local franchise and business taxes. On December 2, 2013, the Energy Regulatory Commission (ERC) in its decision for the Case No. 2012-006 CF, had ordered the Electric Coop to refund its end-consumers for the computed net over recovery of Php22,671,120 within the specified number of billing cycle. The amount is recognized as liability in the year of transaction (2014) and recorded as separate line item- "Refundable to Consumers Due to Over Recovery", in the member's equity section. This in turn is amortized as expense in proportion to the refund made to consumers during the year. As of December 31, 2016 the electric coop Refundable to Consumers Due to Over Recovery has a balance of Php4,456,172.

Furthermore, we draw attention to Note 9 of the notes to financial statements, on the “cash in bank.” We have not completely validated the “cash in bank” balance due to the EC’s on going bank reconciliation process. The Electric Cooperative has still to reconcile few bank accounts with a book balance of Php4,909,386 as of the current year. This scope limitation may result to adjustments to the pertinent balances of the financial statements, the amount of which is not yet determinable at present.

Also, the Electric Cooperative made an adjustment in the “Unappropriated Margins” of Php1.7 million which resulted from the write-off of “consumers’ receivables” duly authorized by NEA. The accounting standards require that the write-off be recognized against the current operations. Had it been charged against its operations, the net surplus would decrease equal to the amount written off.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with the Philippine Financial Reporting Standards and for such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Cooperative’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidates the Cooperative or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Cooperative’s financial reporting process.

Auditors’ Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis of our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Cooperative’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based

on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Cooperative's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Cooperative to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicated with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on the Supplementary Information Required Under Revenue Regulations 15-2010 of the Bureau of Internal Revenue

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information on taxes, duties and license fees in Note 31 to the financial statements is presented for the purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such supplementary information is the responsibility of management. The information has been subjected to the auditing procedures applied in our audit of the basic financial statement. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

MINERVA & COMPANY, CPAs

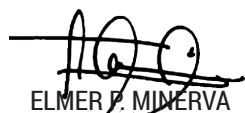
PRC/BOA Reg. Cert. No. 4870 – Valid until 12.31.2019

SEC Accred. No. PA-A-0333-F – Valid until 10.13.2019

BIR Accred. No. 13-005749-0-2016 – Valid until 09.22.2019

NEA Accred. No. 2016-06 -00033 – Valid until 07.21.2019

CDA CEA No. 0068-AF – Valid until 04.06.2017



ELMER P. MINERVA

CPA Board Cert. No. 82086

T.I.N. 130-291-145

SEC Accred. No. PA-A-1592-A – Valid until 10.13.2019

BIR Accred. No. 13-002517-1-2016 – Valid until 09.22.2019

PTR No. 7730986 dated 1.12.17

March 27, 2017

Cebu City, Philippines

BILIRAN ELECTRIC COOPERATIVE, INC.
(A Nonstock, Nonprofit Cooperative)

STATEMENT OF FINANCIAL CONDITION

As of December 31, 2016 and 2015 (Amounts expressed in Philippine Pesos)

	2016		2015	
ASSETS				
NON-CURRENT ASSETS				
Property, plant and equipment-net (Notes 2,3,5)	PHP	258,750,869	PHP	212,702,538
Available-for-sale investments (Notes 2,3,4,6,30)		2,983,500		2,983,500
Restricted funds (Notes 2,3,4,7,30)		26,469,408		18,599,429
Other non-current assets (Notes 2,3,4,8,30)		8,635,263		9,140,682
		296,839,040		243,426,149
CURRENT ASSETS				
Cash (Notes 2,3,9,30)		45,602,672		65,326,713
Consumers' accounts and other receivables-net (Notes 2,3,4,10,30)		33,427,567		27,914,786
Materials and supplies (Notes 2,3,11)		21,258,357		14,745,623
Deferred tax asset (Note 29)		237,931		150,062
Prepayments and other current assets (Notes 2,3,12)		10,871,225		9,504,991
		111,397,752		117,642,175
TOTAL ASSETS	PHP	408,236,792	PHP	361,068,324
MEMBERS' EQUITY AND LIABILITIES				
MEMBERS' EQUITY	PHP	180,768,091	PHP	126,449,141
NON-CURRENT LIABILITIES				
Long-term debts-net of current portion (Notes 3,4,15,30)		24,579,777		29,215,700
Pension liability (Notes 3,4,26)		24,707,223		22,002,322
Consumers' refund due to over recovery (Note 19)		4,456,172		19,429,010
Other non-current liabilities (Notes 3,4,16,30)		30,544,504		45,079,211
		84,287,676		115,726,243
CURRENT LIABILITIES				
Due to power suppliers and other payables (Notes 3,4,17,30)		134,509,550		110,253,576
Current portion of long-term debts (Notes 3,4,15,30)		6,182,283		6,193,128
Income tax payable (Note 29)		244,613		212,895
Other current liabilities (Notes 3,4,18)		2,244,579		2,233,341
		143,181,025		118,892,940
TOTAL MEMBERS' EQUITY AND LIABILITIES	PHP	408,236,792	PHP	361,068,324

BILIRAN ELECTRIC COOPERATIVE, INC.
(A Nonstock, Nonprofit Cooperative)

STATEMENT OF OPERATION

For the Years Ended December 31, 2016 and 2015 (Amounts expressed in Philippine Pesos)

	2016	2015
REVENUE		
Sales of energy		
Residential	PHP 223,463,713	PHP 188,207,152
Commercial	40,569,415	32,721,568
Public streets and highways	2,142,313	1,974,312
Public buildings	29,467,252	24,512,538
	295,642,693	247,415,570
DIRECT COSTS		
Purchased power	222,267,983	191,267,126
Operations and maintenance (Note 23)	32,267,366	30,758,779
General and administrative (Note 24)	23,702,888	20,752,781
	278,238,237	242,778,686
GROSS MARGIN	17,404,456	4,636,884
OTHER INCOME (Notes 2,22)	9,888,758	8,469,164
TOTAL GROSS INCOME	27,293,214	13,106,048
OPERATING EXPENSES		
General and administrative (Note 24)	9,679,203	7,900,412
Finance cost (Note 27)	2,148,665	2,573,675
	11,827,868	10,474,087
NET SURPLUS BEFORE REFUND OF OVER RECOVERY	15,465,346	2,631,961
REFUNDS TO CONSUMERS DUE TO OVER RECOVERY (Note 19)	14,972,838	2,368,223
NET SURPLUS BEFORE TAX	492,508	263,738
INCOME TAX EXPENSE (Note 29)	156,744	62,833
NET SURPLUS	PHP 335,764	PHP 200,905

BILIRAN ELECTRIC COOPERATIVE, INC.
(A Nonstock, Nonprofit Cooperative)

STATEMENT OF CASH FLOWS

For the Years Ended December 31, 2016 and 2015 (Amounts expressed in Philippine Pesos)

	2016		2015	
CASH FLOWS FROM OPERATING ACTIVITIES				
Net surplus before tax	PHP	492,508	PHP	263,738
Adjustments for non-cash transactions:				
Depreciation (Note 5)		10,315,321		9,012,639
Provision for doubtful accounts		82,322		-
Prior period adjustments		759,819		(4,436,851)
Interest income (Note 22)		(89,744)		(93,079)
Interest expense (Note 27)		2,148,665		2,573,675
Net surplus before working capital changes		13,708,891		7,320,122
Decrease (Increase) in:				
Consumers' accounts and other receivables (Note 10)		(5,595,103)		287,518
Materials and supplies (Note 11)		(6,512,734)		(282,168)
Available-for-sale investments (Note 6)		-		(38,500)
Prepayments and other current assets (Note 12)		(1,366,234)		(273,902)
Increase (Decrease) in:				
Due to power suppliers and other payables		24,255,974		40,679,860
Other current liabilities		11,238		1,260,093
Current portion of long term debt		(10,845)		6,193,128
Cash provided by operating activities		24,491,187		55,146,151
Income tax paid		(212,895)		(134,374)
Net cash provided by operating activities		24,278,292		55,011,777
CASH FLOWS FROM INVESTING ACTIVITIES				
Additions to property, plant and equipment (Note 5)		(56,363,652)		(26,468,564)
Additions to investments (Note 6)		(7,869,979)		(7,004,908)
Deductions (additions) to other non-current assets (Note 8)		505,419		(2,731,061)
Interest received		89,744		93,079
Net cash used in investing activities		(63,638,468)		(36,111,454)
CASH FLOWS FROM FINANCING ACTIVITIES				
Additional members' contributions		6,380		7,165
Increase in donated capital (Note 13)		4,173,001		2,131,751
Increase in reinvestment fund for sustainable capital expenditure (Note 14)		34,071,148		14,922,108
Increase in pension liability		2,704,901		1,263,985
Payments of long-term debts (Note 15)		(4,635,923)		(9,547,627)
Payments of other non-current liabilities (Note 16)		(14,534,707)		(763,516)
Interest paid		(2,148,665)		(2,573,675)
Net cash provided by financing activities		19,636,135		5,440,191
NET INCREASE (DECREASE) IN CASH		(19,724,041)		24,340,514
CASH, beginning of year		65,326,713		40,986,199
CASH, end of year	PHP	45,602,672	PHP	65,326,713

BILIRAN ELECTRIC COOPERATIVE, INC.
(A Nonstock, Nonprofit Cooperative)

STATEMENT OF CHANGES IN MEMBERS' EQUITY

For the Years Ended December 31, 2016 and 2015 (Amounts expressed in Philippine Pesos)

	2016		2015	
MEMBERS' CONTRIBUTIONS				
At beginning of year	PHP	167,210	PHP	160,045
Additional contributions		6,380		7,165
At end of year		173,590		167,210
DONATED CAPITAL (Notes 2,13)				
At beginning of year		93,939,231		91,807,480
Additional contributions		4,554,442		2,131,751
Usage of capital		(381,441)		-
At end of year		98,112,232		93,939,231
REINVESTMENT FUND FOR SUSTAINABLE CAPITAL EXPENDITURES (Notes 2,14)				
At beginning of year		121,442,774		106,520,666
Additional contributions		34,071,148		14,922,108
At end of year		155,513,922		121,442,774
REFUNDABLE TO CONSUMERS DUE TO OVER RECOVERY (Note 19)				
		(4,456,172)		(19,429,010)
ACCUMULATED LOSSES				
At beginning of year		(69,671,064)		(65,435,118)
Prior period adjustments		759,819		(4,436,851)
Adjusted beginning balance		(68,911,245)		(69,871,969)
Net surplus		335,764		200,905
At end of year		(68,575,481)		(69,671,064)
TOTAL MEMBERS' EQUITY				
	PHP	180,768,091	PHP	126,449,141

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Consultant

ENGR. GERARDO N. OLEDAN

SAMBAWAN ISLAND

Sambawan island is probably the most famous tourism destination in the province of Biliran. Located some 5 kms of the west coast of Maripipi municipality, south of the Samar sea, the popular curve-shaped island is composed of rocky islets with white sand beach teeming with marine life. It can be reached via motorized boat about 1 hour and 30 minutes from Naval and 45 minutes from Kawayan.